



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH  
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.  
Director  
ROBIN KAY, Ph.D.  
Chief Deputy Director  
RODERICK SHANER, M.D.  
Medical Director

October 25, 2012

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.  
Director

SUBJECT: **TERMINATION OF PHARMACY AGREEMENT WITH MODERN  
HEALTHCARE, INC., DBA MODERN HEALTH PHARMACY AND  
AD-RX PHARMACY**

This is to advise your Board of the termination of the Department of Mental Health's (DMH) Pharmacy Agreement with Modern Healthcare, Inc., dba Modern Health Pharmacy and Ad-Rx Pharmacy, Agreement No. MH150217 (Agreement).

Board approval for this Pharmacy Agreement was given on June 16, 2009, Agenda Item No. 25.

On October 5, 2012, DMH received a phone call from Sherri Cherman, Executive Vice President of Modern Healthcare, Inc., dba Modern Health Pharmacy and Ad-Rx Pharmacy, notifying DMH that on July 24, 2012, Modern Health Pharmacy sold to ModernHEALTH Holdings, Inc., and Ad-Rx Pharmacy sold to ModernHEALTH Specialty, LLC. Consequently, this Agreement was terminated effective October 10, 2012, due to the acquisition of Modern Health Pharmacy to ModernHEALTH Holdings, Inc., and Ad-Rx Pharmacy to ModernHEALTH Specialty, LLC, pursuant to Paragraph 23 (CHANGE OF OWNERSHIP) of the Agreement.

If you have any questions regarding this termination, please contact me, or your staff may contact Richard Kushi, Contracts Development and Administration Division, at (213) 738-4684.

MJS:MM:RK:nm

c: Executive Officer, Board of Supervisors  
Chief Executive Officer  
County Counsel  
Robin Kay, Ph.D.  
Roderick Shaner, M.D.

Margo Morales  
Richard Kushi  
Russell Kim  
Gerald Ko  
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